

11 KAR 6:010. KHEAA Work-Study Program.

RELATES TO: KRS 164.744(2), 164.748(4), 164.753(6)

STATUTORY AUTHORITY: KRS 164.748(4), 164.753(6)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 164.748(4) requires the authority to promulgate administrative regulations governing work-study payments. This administrative regulation establishes the KHEAA Work-Study Program.

Section 1. Definitions. (1) "Administrative cost allowance" means a payment negotiated between the authority and a participating institution for annual costs directly related to the administration of the KWSP not to exceed eight (8) percent of the gross wages earned, the amount requested by the institution, or \$15,000 annually, whichever is least.

(2) "Alternate work plan" means a work-study arrangement in which a participating student alternates a school term with a work term in accordance with Section 2 of this administrative regulation.

(3) "Authority" is defined in KRS 164.740(1).

(4) "Career-related work experience" means a job which has a correlation with the participating student's career direction determined by the participating institution and evidenced by the student's major course of study.

(5) "Cost of education" means those expenses commonly related to obtaining an education at the participating institution plus those costs directly related to the participating student's KWSP work experience, including required dues and travel (at the rate allowed for state employee travel reimbursement) from the school to the place of employment or, under an alternate work plan, from the student's residence to the place of employment.

(6) "Eligible institution" is defined in KRS 164.740(4).

(7) "Financial need" means the total cost of education less financial assistance received from all sources, other than KWSP employment, including grants, loans, and scholarships.

(8) "Full-time" means the number of credit hours determined by the participating institution to constitute full-time enrollment, which:

(a) Is generally twelve (12) semester hours, twenty-four (24) clock hours, or six (6) summer school hours; and

(b) Shall not include academic credit earned from KWSP employment.

(9) "KWSP" means the KHEAA work-study program.

(10) "Participating institution" is defined in KRS 164.740(14).

(11) "Prevailing wage rate" means a base rate of pay per hour for a KWSP participating student who is or would be performing equal job tasks as another employee, plus benefits paid to another employee having the same status as the KWSP employee.

(12) "Private employer" means an employer in the private sector, other than the institution that the participating student is attending.

(13) "School term" means the equivalent of one (1) semester, one (1) quarter, or one (1) summer school term.

(14) "Wage reimbursement" means a payment:

(a) Made to a participating employer by a participating institution as reimbursement for wages paid to a participating student; and

(b) Specified in an agreement between the participating employer and the participating institution.

(15) "Work study" is defined in KRS 164.740(21).

Section 2. Alternate Work Plan. A participating student shall be considered a participant under

an alternate work plan if the student:

- (1) Attends school full time one (1) school term;
- (2) Works full time the next school term, including a summer, for a participating employer;
- (3) Is not enrolled at least half-time during the term of employment; and
- (4) Returns to school full time the following school term.

Section 3. Institutional Eligibility. To participate in the KWSP, an educational institution shall:

- (1) Be an eligible institution, located within Kentucky;
- (2) Have in force an administrative agreement with the authority pursuant to 11 KAR 4:040;
- (3) Submit a request for funding; and
- (4) Execute a supplemental contractual arrangement with the authority and a participating employer.

Section 4. Funding Allocation Process. (1) Each year, the authority shall invite an eligible institution to submit a proposal for funding and shall provide instructions for submitting the proposal. The authority shall consider a proposal properly submitted by an eligible institution by the date specified in the invitation to participate. The authority shall award an administrative cost allowance, if the institution demonstrates need, to administer the KWSP for one (1) year. At least seventy-five (75) percent of wage reimbursement dollars shall be utilized with private employers.

(2) The authority shall consider the institution's request for funding and its past performance in the KWSP in the determination of approval for funding and the funding level. The authority shall evaluate the institution's level of participation in and administration of other programs of student financial assistance funded or administered by the authority and the institution's ability to:

- (a) Comply with this administrative regulation and contractual obligations under the KWSP;
- (b) Administer the program cost-effectively with the greatest results for students, evidenced by previous years' program records;
- (c) Utilize the wage-reimbursement dollars allocated, evidenced by previous years' program records;
- (d) Avoid using KWSP dollars to supplant existing work-related programs for students; and
- (e) Adequately monitor program activities, including eligibility determination of students and employers, continued eligibility of students and employers, and actual job activities as they relate to students' career-related work experience.

(3)(a) At least ninety (90) percent of the available funds that do not exceed the appropriation for the preceding fiscal year shall be awarded to eligible institutions that participated and expended all or the major portion of their wage reimbursement allotment during the prior year.

(b) If available funds do not exceed the appropriation for the preceding fiscal year, the authority shall not award more than ten (10) percent of available funds to eligible institutions that did not participate or had minimal participation in the KWSP during the preceding fiscal year.

(c) Allocation by the authority of available funds that exceed the appropriation for the preceding fiscal year shall not be constrained by the level of participation by an eligible institution during the prior year.

(d) If available funds are not sufficient to award each institution the amount requested, the authority shall allocate funds to some or all of the eligible institutions that submit requests for funding, taking into consideration the institution's past performance and level of funding under the KWSP, and the institution's level of participation and demonstrated capability to administer other programs of student financial assistance funded or administered by the authority.

Section 5. Employer Eligibility. To participate in the KWSP, an employer shall:

- (1) Provide a bona fide career-related work experience for a participating student as deter-

mined by the participating institution in which the student is enrolled and submit a descriptive position analysis to the participating institution;

(2)(a) If the employer is not a participating institution, execute a KWSP employer agreement with each participating institution from which a participating student is hired; or

(b) If the employer is a participating institution, agree with the authority to be bound by the terms of a KWSP employer agreement;

(3) Provide a Kentucky work site for a participating student employed by the employer;

(4) Not be a business entity formed substantially for the purpose or intention of participating in the KWSP; and

(5) Not utilize a participating student in a work environment that is sectarian in nature or that involves political activity.

Section 6. Student Eligibility. To participate in the KWSP, a student shall:

(1) Be a citizen of the United States;

(2) Be a Kentucky resident, as determined by the participating institution in accordance with 13 KAR 2:045;

(3) Be enrolled or accepted for enrollment on at least a half-time basis at a participating institution, unless the student is participating in an alternate work plan;

(4) Demonstrate financial need;

(5) Be in good standing and making satisfactory academic progress toward completion of his educational program, as determined by the participating institution, and have a cumulative grade point average of not less than the equivalent of a "C" (inclusive of all postsecondary courses attempted for a postsecondary student or secondary school grade point average for an entering freshman);

(6) Not be participating in another work program administered by the participating institution;

(7) Submit a completed Work-Study Program Student Application as set forth in 11 KAR 4:080, Section 1(2), to the participating institution, properly completed in accordance with the instructions, and be approved for participation by the participating institution;

(8) Not be in default on a financial obligation to the authority under a program administered by the authority pursuant to KRS 164.740 through 164.7891, except that ineligibility for this reason may be waived by the executive director of the authority, at the recommendation of a designated staff review committee, for cause;

(9) Execute an employment agreement required by the participating institution; and

(10) Not be:

(a) In default on any loan under Title IV of the federal act, codified as 20 U.S.C. 1070 to 1099, unless eligibility has been reinstated;

(b) Liable for any amounts that exceed annual or aggregate limits on any loan under Title IV of the federal act, codified as 20 U.S.C. 1070 to 1099; and

(c) Liable for overpayment of any grant or loan under Title IV of the federal act, codified as 20 U.S.C. 1070 to 1099.

Section 7. Employer Responsibilities. To receive wage reimbursement, a participating employer shall:

(1) Immediately notify the participating institution in writing if a participating student's employment is terminated, stating the reason for and effective date of termination;

(2) Report promptly to the participating institution a significant change of the position analysis or the student's work assignment;

(3) Submit to the participating institution on a regular basis a certified, accurate proof of wages paid to a participating student;

(4) Pay a participating student the prevailing wage rate, which shall not be less than the federal minimum wage;

(5) Comply with all federal and state employment, safety and civil rights laws applicable to the position filled;

(6) Not, without prior consent of the participating institution, permit or require a participating student to work in excess of:

(a) Thirty (30) hours per week for a student currently enrolled less than full time;

(b) Twenty (20) hours per week for a student currently enrolled full time; and

(c) Forty (40) hours per week for a student employed under an alternate work plan;

(7) Permit on-site inspection and review of records by a representative of the participating institution and the authority during normal business hours; and

(8) Ensure that a regular employee is not displaced by a KWSP participating student.

Section 8. Student Responsibilities. A participating student shall:

(1) Participate in all screening or preplacement activities required by the participating institution;

(2) Maintain eligibility pursuant to Section 6 of this administrative regulation, and immediately notify the participating institution in writing of a change that affects the student's continued eligibility;

(3) Be available for a job interview if requested by a participating employer; and

(4) Perform all reasonable employment obligations and comply with all reasonable policies and requirements of the participating employer.

Section 9. (1) An appeal regarding student or employer participation shall be directed to the participating institution and shall be reviewed, settled or determined by an appeal committee consisting of no fewer than three (3) individuals.

(2) An appeal regarding institutional eligibility or participation shall be determined by the authority in accordance with 11 KAR 4:020. (11 Ky.R. 508; eff. 10-9-1984; Am. 12 Ky.R. 408; eff. 11-12-1985; 13 Ky.R. 1237; eff. 2-10-1987; 16 Ky.R. 2691; eff. 8-9-1990; 19 Ky.R. 2478; 20 Ky.R. 44; eff. 7-1-1993; 24 Ky.R. 914; 1241; eff. 12-4-1997; 26 Ky.R. 1428; eff. 3-10-2000; 28 Ky.R. 654; 1105; eff. 11-5-2001; 30 Ky.R. 358; 835; eff. 10-31-2003; 31 Ky.R. 581; 924; eff. 11-8-2004; 33 Ky.R. 179; 711; eff. 10-6-2006; 3230; 3590; 7-6-2007; TAm eff. 4-27-2016.)